



Tapu!tea

...ina ia manino le folauga.

Tuesday
July 31,
2007

OFFICIAL AMERICAN SAMOA GOVERNMENT WEEKLY NEWSLETTER Vol. II, No. 11

ASG spending down nearly \$2 million compared to last two years

In June 2007, the American Samoa Government had reduced its spending by millions compared to the same time in the past two years. Based on the Treasury Department's June Financial Overview Report (local funds), the total expenditures for June 2007 was only \$5,070,199, down significantly from \$6,918,062 in June 2006 and \$8,027,804 in June 2005. The report revealed that cash collections fell short last month, resulting in expenses exceeding revenue. But interestingly enough, expenditures were reduced drastically, down nearly \$2 million from last year and close to \$3 million compared to 2005.

The Territorial Administration on Aging (TAOA) and the Department of Human and Social Services (DHSS) were the only two departments that hadn't spent anything every June since 2005. A total of ten departments, including miscellaneous expenses, are listed to have increased their spending in June 2007 compared to the same time last year.

<u>DEPT.</u>	<u>June 2007</u>	<u>June 2006</u>
Legislature	\$582,647	\$470,554
Local Government	\$163,839	\$128,364
Commerce	\$19,893	\$14,755
Human Resources	\$77,362	\$70,538
Public Safety	\$413,281	\$398,554
Tourism	\$27,066	\$21,489
Procurement	\$72,501	\$65,542
Youth/Women's Affairs	\$7,671	\$5,516
Golf Course	\$33,510	\$16,737
Miscellaneous	\$8,671	\$614

Nonetheless, a total of 23 departments and agencies had decreased their spending, some of which were reduced by six figures. The decreases in spending are an early sign of a pattern that, if allowed to continue, will result in a lot of savings and more revenue for the government. One of the most significant decreases came from the Governor's Office, whose spending last month amounted to \$188,447, down less than half from the \$436,971 they spent in June 2006 and \$535,260 in June 2005. The Treasury Department also decreased its spending to \$419,149, a big reduction compared to the \$504,833 they spent in June 2006 and \$569,585 in June 2005. The Department of Education did well, spending only \$1,434,304 last month compared to \$1,747,198 in June 2006 and \$2,392,206 in June 2005. The Office of Public Information also pitched in and saved the government thousands of dollars by reducing its expenditures from \$111,550 in June 2005 and \$90,151 in June 2006, down to only \$67,666 in June 2007.

The following is a list of notable decreases in spending within certain government agencies and departments:

<u>DEPT.</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Judiciary	\$72,259	\$73,714	\$104,662
Agriculture	\$66,149	\$84,467	\$139,117
Legal Affairs	\$149,879	\$167,464	\$260,654
Health	\$117,536	\$129,794	\$174,830
Port Admin	\$144,696	\$189,746	\$271,975
Public Works	\$414,961	\$423,159	\$591,842
Audit Office	\$10,191	\$18,285	\$23,938
Public Defender	\$23,651	\$25,581	\$33,966
Parks and Rec	\$52,852	\$63,361	\$96,350
Budget Office	\$38,353	\$57,810	\$104,634
Marine Rsrcs.	\$6,051	\$15,183	\$43,024
Arts Council	\$0	\$7,352	\$2,212
Admin. Services	\$57,150	\$144,682	\$121,906
Elections	\$17,602	\$32,123	\$37,322
Property Mngt	\$26,007	\$33,055	\$42,692
OTICIDE	\$8,998	\$11,809	\$17,023
Law Office	\$10,311	\$13,883	\$20,034
Public Market	\$10,690	\$12,911	\$11,846
Funds Transfers	\$326,854	\$1,441,868	\$517,673

Road resurfacing for west side set to begin next week

The pre-construction conference regarding the resurfacing project for the main road from Avau to the main airport intersection is complete, and the Notice to Proceed (NTP) for the job is scheduled to be issued sometime next week.

The resurfacing will begin in Avau where Phase V ends and will extend towards the airport intersection in front of the Express Electronics Building. This means that the main highway heading westward from the Fire Station in Fagatogo all the way up to the airport intersection will be pothole-free, resulting in smoother rides and happier drivers.

The resurfacing has been sole sourced to McConnell Dowell because it involves the use of asphalt and they are the only local contractor who can provide the service at this time.

Once completed, the new resurfaced portion of the road will look and feel similar to the area between Manumalo Baptist School and the ASCC in Mapusaga.

The project will involve some drainage improvement work but it will mainly be an overlay job.

Monthly Fono spending detailed in Treasury's report to Governor Togiola

Monthly financial overview reports for local funds submitted from the Treasury Department to Governor Togiola Tulafono reveals that the monthly expenditures for the local Legislature, on average, are constantly dwindling on the half-million-dollar mark.

In June 2007, the Fono spent a total of \$530,357, which is an increase from the \$470,554 it expended the same time last year.

The bulk of the money went to the Senate, \$205,504 to be exact, followed by the House of Representatives with \$182,490, the Legislative Reference Bureau (LRB) with \$68,752, the Legislative Finance Office (LFO) with \$72,357, and computer expenses totaling \$1,264.

Not a single cent was spent on Fono repairs for that month.

The Senate spending for last month alone was \$53,539 more than the same time last year, with the LFO following suit with an increase of \$24,616 in their spending compared to June 2006.

Money spent on computers remained the same while the House of Representatives and the LRB decreased their spending by a combined total of \$18,353.

Earlier this year in May, the Fono decreased its spending to \$561,534, down from the \$602,110 it expended the same time last year.

But this time, it was the Senate that decreased its spending while the House of Representatives and the LFO contributed to a combined spending increase of \$33,285.

Earlier this year in February, Fono expenditures amounted to \$501,419, up from \$409,361 the same time last year.

But they did better in the next two months. By March 2007, the Fono spent \$483,434 compared to \$679,630 in March 2006, and they did the same thing the following month in April, when spending was cut from \$539,095 in April 2006 to \$507,735 the same time this year.

DEVELOPMENT BANK OF AMERICAN SAMOA NOTICE TO ASG STUDENT LOAN BORROWERS AND GUARANTORS

All American Samoa Government (ASG) student loan borrowers who received their last student loan disbursement before December 31, 2005, and are qualified for partial repayment waivers up to 50%, will only be able to obtain such waivers if they redocument their loans with DBAS by December 31, 2007.

Parent guarantors for ASG student loans are encouraged to immediately assist your children who are ASG student loan borrowers so they can get the repayment waivers they are qualified for and avoid adverse reports to the credit bureaus and other legal action.

Another incentive to pay for your ASG student loans now rather than later is that you may be qualified for a student loan interest deduction of up to \$2000 (two thousand dollars) on your next income tax return. Please contact Jason Betham or to make payment arrangements.

Treasury overview report reveals drop in collections for June

The Treasury Department's Financial Overview report (local funds) for the month of June reveals that for every dollar (\$1) received, approximately \$1.06 was spent.

A copy of the report, along with supporting documents, has already been submitted to Governor Togiola Tulafono.

In summary, the actual revenue collected was \$4,800,645 but the actual expenditures were \$5,070,199. The budgeted revenue and expenditures were both listed at \$6,096,541

This is due largely to the drop in cash collections from the majority of ASG departments and agencies.

Of the 35 accounts listed in the cash collections summary, only 7 were able to collect more last month compared to the same time last year.

<u>DEPT.</u>	<u>June 2007</u>	<u>June 2006</u>
OMV	\$85,342	\$73,406
Public Health	\$1,350	\$0
Attorney General	\$48,140	\$42,060
Admin. Services	\$4,664	\$2,088
Tax Reserve	\$394,546	\$352,801
Grants Fund	\$82,454	\$68,635
PFC	\$9,147	\$9

Parks and Recreation decreased its collections to \$500 last month compared to \$1,375 in June 2006, and the Election Office failed to collect any money in June although they brought in \$2,700 the same time last year.

Not a single cent was collected from the EPA Trust Fund, Flag Day Fund, ASTCA, Property Management, Admin Law Office, and Bonds Reduction in both June 2006 and June 2007.

But the ASG has been consistent with collecting \$91,667 from the LBJ loan, which is the same amount collected the same time last year.

The following is a summary, based on the Treasury report, listing the departments and agencies whose collections dropped significantly last month compared to the same time last year:

<u>DEPT.</u>	<u>June 2007</u>	<u>June 2006</u>
Revenue	\$167,756	\$332,385
Tax Office	\$1,459,555	\$1,727,471
Immigration Office	\$125,520	\$132,587
Immigration Bond	\$35,317	\$51,226
Procurement	\$10,710	\$13,650
Agriculture	\$5,451	\$16,519
DPS	\$509	\$562
Vital Statistics	\$6,901	\$8,699
Legal Affairs	\$1,364	\$2,403
Judicial	\$21,321	\$26,454
Weights & Measures	\$0	\$725
Sports Complex	\$15,357	\$17,676
Workmen's Comp.	\$83,478	\$108,654
Road Maintenance	\$36,808	\$65,663
Customs	\$1,673,670	\$2,393,531
Customs Bond Coll.	\$179,510	\$261,432
Port	\$156,251	\$245,726
Port Admin.	\$48,886	\$148,541
Airport	\$54,474	\$91,661

Because of the decrease in collections, the ASG brought in only \$4,800,645 in June 2007, which is \$1,479,660 less than the \$6,280,305 collected in June 2006.

Leloaloa/Atu'u Seawall

The lack of adequate funds is the main reason for the delay in many government projects, but that hasn't stopped the Department of Public Works from carrying out much needed work around the territory. Over the past several months, Public Works director Taeaotui Punafo Tilei has been busy trying to locate and gather rocks and dirt from different parts of the territory for use in the construction of a mini seawall in the Atu'u/Leloaloa area.

The seawall, which is being funded locally and more than half way complete, extends a few feet towards the ocean. Prior to this, the area was considered unsafe for both motorists and pedestrians as the east bound lane was only inches from the edge of the road. "Right now, the project has hit a stand still as we are waiting to get our hands on an ample supply of rocks so we can finish up," Taeaotui said. In addition, Public Works is also looking for fibrous material, which Taeaotui said will be placed between the rocks and the dirt to prevent any wash outs. The work is being conducted by employees of DPW's Maintenance and Operations (M&O) Division.

FHwA funds new culverts for Atu'u/Leloaloa under Emergency Recovery Program

Three years after Tropical Cyclone Heta brought flooding and caused devastating damage all across the territory, repair work under the Emergency Recovery (ER) program are now underway and nearing completion.

Funding for the ER projects is available from the Federal Highway Administration (FHwA).

Contractors McConnell Dowell have taken the first step by installing new culverts in Atu'u and Leloaloa, in areas that routinely flood and are problematic during heavy rainfalls.

The first culvert is located next to the TSK grocery store in Leloaloa, in the area next to the store's main entrance where an inland stream flows towards the ocean.

The other culvert has been constructed on the road leading up to the former Marist Brothers School in Atu'u, an area that has seen its fair share of flooding every time rainfalls pour.

The new culverts are in place to assist with drainage purposes.

Two other projects that are funded through the ER program and awarded to Duke Purcell and Island Builders are the Poloa village road that leads from the village to the school, and the guard rail located on the steep pass between Pago Pago and Fagasa.

Public Works director Taeaotui Punafo Tilei says he is hopeful that the Fagasa guard rail project will commence shortly, pending the availability of materials expected to arrive as early as next week.

HISTORICAL NOTES

By: Stan Sorensen, Historian, Office of the Governor

On July 25, 1900, the U.S. Post Office Department notified the Navy Department that the establishment of a post office at the U.S. Naval Station Tutuila had been authorized.

On July 25, 1929, American Samoa's Governor, Captain Stephen Victor Graham, established the Bank of American Samoa.

On July 26, 1942, the Navy Department issued this press release concerning the disappearance of Commander Thomas Calloway Latimore, 22nd naval governor (acting: April 10--April 17, 1934) of American Samoa:

NAVY DEPARTMENT IMMEDIATE RELEASE JULY 26,
1941 [*sic*] SEARCH ABANDONED FOR COMMANDER
LATIMORE

The Commander in Chief, Pacific Fleet, Admiral Husband E. Kimmel, has notified the Navy Department that the search for Commander Thomas C. Latimore, U.S. Navy, had been abandoned after every part of the area covered by searchers had been gone over at least three times and that the Reservoir in the vicinity had been searched by divers.

The police and detective force at Honolulu are continuing investigation of the case and a board of investigation has been ordered by Naval Authorities.

Commander Latimore on Friday afternoon, July 18, went for a hike alone in the hills back of Aiea Landing, Honolulu. When he failed to return that night a search was organized.

On July 26, 2001, Governor Hyrum Rex Lee, American Samoa's seventh appointed civil governor, passed away in La Jolla, California. He was 91 years old. Lee spent over four decades in U.S. government service, among which was his appointment as Governor of American Samoa from 1961 to 1967. Lee was a native of Rigby, Idaho, and a graduate in agricultural economics from the University of Idaho. In 1936, he entered government service as an economist with the Department of Agriculture. During World War II, he served with the War Relocation Authority and was assigned to relocate Japanese-Americans. Later Lee worked with the Bureau of Indian Affairs before being appointed Governor of American Samoa. On May 24, 1961, President John F. Kennedy appointed Lee as American Samoa's seventh appointed civil governor (until July 31, 1967), succeeding Governor Peter Tali Coleman, who was the Territory's only appointed Samoan governor. Lee's first term was the longest of any of American Samoa's governors (civil or naval), and he served an additional half-year term (May 28, 1977-January 3, 1978), thus becoming the longest-serving appointed civil governor, and the only appointed civil governor to serve two non-consecutive terms. His administration saw the establishment of a new airport, roads, schools, a luxury hotel in to cultivate the tourist industry, two fish canneries, new harbor facilities, an impressive educational television system, and numerous other innovations. After his six-year tenure in American Samoa, Lee received the Award for Distinguished Federal Civil Service and was appointed to the Federal Communications Commission where he worked until his retirement in 1973.